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COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

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JUL 11 1973

The Honorable George McGovern
United States Senate

Dear Senator McGovern:

In response to your request of February 28, 1973, and in accordance with agreements reached with your office, we are sending you (1) an inventory of Federal programs to aid the social and economic development of Indian reservations, identifying those programs specifically for Indians living on reservations and those which are part of a program with a broader scope, and (2) the appropriations and expenditures for these programs, including information on funds that have been impounded.

The Bureau of Indian Affairs, Department of the Interior, administers a number of programs which were created specifically to aid the education, social, and economic development of Indians living on reservations. The Bureau's records show the following appropriations and expenditures for these programs during the last two fiscal years.

Appropriations Expenditures

(millions)

1972	\$445.5	\$437.6
1973	544.4	520.2 (estimated)

The major expenditures were for education, welfare and guidance services, Alaska Native Claims, relocation and adult vocational training, and Federal aid for constructing highways on reservations. (See enc. I.)

For fiscal year 1973, \$31.5 million of the Bureau's construction appropriation funds--\$29.5 million for buildings and utilities and \$2 million for irrigation systems--were impounded by the Office of Management and Budget. The Bureau gave us information which showed that \$101,000 of fiscal year 1972 irrigation systems construction appropriations had been impounded but were subsequently released on July 1, 1972.

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Other Federal agencies annually report to the Bureau showing funds provided to benefit Indians but do not distinguish between funds expended for Indians living on or off reservations. A Bureau official told us that the Bureau did not provide written instructions to other Federal agencies informing them on what to base amounts nor did it verify the information reported. Therefore amounts could be based on appropriations, obligations, or expenditures.

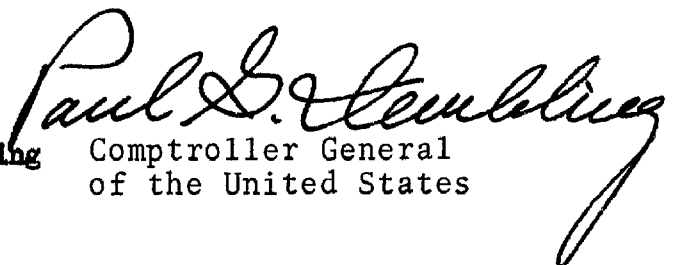
The Indian Health Service and the Office of Education, two agencies of the Department of Health, Education, and Welfare, administer programs specifically for Indians. The Health Service administers programs primarily to benefit Indians on reservations, and the Office of Education, under the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 242), administers programs for Indians on or off the reservation. Other Federal agencies administer programs of broader scope which also provide funds for Indians living on or off reservations. In fiscal years 1972 and 1973 these funds totaled \$411.5 million and \$486.9 million, respectively.

The programs which provided the most funds for Indians were for health services, housing, local flood protection or reservoir control work, community action, and education. (See enc. II.)

We did not verify the expenditures or other data in this report because we agreed to send you the information as soon as possible, and verification would have taken considerably more time.

We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,


Acting Comptroller General
of the United States

Enclosures - 2

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
APPROPRIATIONS AND EXPENDITURES FOR
INDIAN PROGRAMS ON RESERVATIONS
FISCAL YEARS 1972 AND 1973

<u>Activity</u>	<u>Appropriations</u>		<u>Expenditures</u> <u>(note a)</u>	
	<u>1972</u>	<u>1973</u>	<u>1972</u>	<u>1973</u> <u>(note b)</u>
	<u>—————(millions)—————</u>			
Education and Welfare Services:				
Education assistance, facilities, and services	\$167.6	\$187.3	\$167.6	\$187.3
Welfare and guidance services	59.1	65.5	57.5	65.5
Relocation and adult vocational training	39.8	42.4	38.4	42.4
Maintaining law and order	<u>7.3</u>	<u>8.3</u>	<u>6.7</u>	<u>8.3</u>
	<u>273.8</u>	<u>303.5</u>	<u>270.2</u>	<u>303.5</u>
Resources Management:				
Forest and range lands	7.6	8.1	8.1	8.1
Fire suppression	3.8	.8	8.0	2.5
Outdoor recreation	-	.4	-	.4
Agricultural and industrial assistance	14.6	17.4	13.7	17.3
Soil and moisture conservation	6.9	9.8	7.6	9.8
Maintenance of roads	6.2	6.6	6.7	6.6
Development of Indian arts and crafts	.7	.7	.7	.7
Management of Indian trust property	10.3	12.4	10.3	12.4
Repair and maintenance of buildings and utilities	24.2	24.9	24.1	24.9
Operation, repair, and maintenance of Indian irrigation systems	<u>1.4</u>	<u>2.1</u>	<u>1.4</u>	<u>2.1</u>
	<u>75.7</u>	<u>83.2</u>	<u>80.6</u>	<u>84.8</u>

ENCLOSURE I

<u>Activity</u>	<u>Appropriations</u>		<u>Expenditures</u> <u>(note a)</u>	
	<u>1972</u>	<u>1973</u>	<u>1972</u>	<u>1973</u>
				<u>(note b)</u>
	<u> (millions) </u>			
Construction:				
Building and utilities	\$ 31.2	\$ 39.2	\$ 26.1	\$ 15.4
Irrigation systems	<u>12.5</u>	<u>16.8</u>	<u>13.1</u>	<u>14.8</u>
	<u>43.7</u>	^c <u>56.0</u>	<u>39.2</u>	^d <u>30.2</u>
Road Construction (Liquidation of Construction Authoriza- tion):				
Federal aid highway roads	33.6	45.5	28.9	45.5
General Administrative Expenses	6.2	6.2	6.2	6.2
Alaska Native Claims	<u>12.5</u>	<u>50.0</u>	<u>12.5</u>	<u>50.0</u>
Total	<u>\$445.5</u>	<u>\$544.4</u>	<u>\$437.6</u>	<u>\$520.2</u>

^aBased on information supplied by Bureau headquarters. A Bureau official told us that the information by programs represented expenditures and accounts payable for goods and services received during each year. GAO did not verify the information.

^bEstimated.

^cIncludes \$31.5 million of fiscal year 1973 construction appropriation funds--\$29.5 million for buildings and utilities and \$2 million for irrigation systems--impounded by the Office of Management and Budget.

^dA Bureau official told us that construction funds may be carried over from previous fiscal years, therefore more funds may be expended during a fiscal year than are appropriated during that fiscal year.

FUNDS PROVIDED BY
OTHER FEDERAL AGENCIES
FOR THE BENEFIT OF INDIANS ON AND OFF RESERVATIONS
DURING FISCAL YEARS 1972 AND 1973

<u>Agency and program area</u>	Funds provided (note a)	
	<u>1972</u>	<u>1973</u> (note b)
	(millions)	
Department of Agriculture:		
Farmers Home Administration	\$ 2.1	\$ 1.8
Agricultural Research Service	1.7	1.7
Agricultural Stabilization and Conservation Service	3.2	3.3
Rural Electrification Adminis- tration	5.7	5.9
Soil Conservation Service	.2	.2
Food and Nutrition Service	<u>9.9</u>	<u>10.5</u>
	<u>22.8</u>	<u>23.4</u>
Department of Commerce:		
Business loans	5.0	5.0
Planning, technical assistance, and research	2.1	4.2
Regional action planning	.2	.3
Economic Development Adminis- tration	18.5	18.5
Pribilof Islands fund	<u>2.9</u>	<u>3.1</u>
	<u>28.7</u>	<u>31.1</u>
Department of Defense:		
Army Corps of Engineers (local flood protection or reservoir control work)	<u>13.7</u>	<u>29.4</u>

ENCLOSURE II

<u>Agency and program area</u>	<u>Funds provided</u>	
	<u>(note a)</u>	
	<u>1972</u>	<u>1973</u>
		<u>(note b)</u>
	(millions)	
Office of Economic Opportunity:		
Legal Services	\$ 1.8	\$ 1.8
Work Incentive Program	1.3	1.5
Head Start	9.7	3.0
Neighborhood Youth Corps	3.3	9.3
Community Action Program	22.0	23.0
Job Corps	2.3	2.4
Operation Mainstream	6.2	3.8
New Careers	.7	.7
Concentrated Employment Program	5.1	5.8
Job Opportunity in the Business Sector	-	4.7
	<u>52.4</u>	<u>56.0</u>
Department of Health, Education, and Welfare:		
Office of Education	34.2	^d 46.0
Indian Health Service (note e)	<u>187.4</u>	<u>209.5</u>
	<u>221.6</u>	<u>255.5</u>
Department of Housing and Urban Development:		
Metropolitan development comprehensive planning grants	.6	.9
Model cities and governmental relations	.9	.9
Alaska housing	-	1.5
Low rent public housing	<u>23.7</u>	<u>31.5</u>
	<u>25.2</u>	<u>34.8</u>
Department of the Interior (excluding Bureau of Indian Affairs):		
Bureau of Sport Fisheries and Wildlife	2.2	1.5
Bureau of Reclamation	14.6	19.4
Geological Survey:		
Resources management--oil, gas, other	1.0	.9
River clearance	.2	-
Basic data collection--ground water resources	<u>.3</u>	<u>.4</u>
	<u>18.3</u>	<u>22.2</u>

ENCLOSURE II

<u>Agency and program area</u>	Funds provided (note a)	
	1972	1973 (note b)
	(millions)	
Department of Labor:		
Manpower development and training activities	\$ <u>7.8</u>	\$ <u>6.2</u>
Small Business Administration	<u>12.6</u>	<u>19.8</u>
Veterans Administration--Benefits	<u>8.1</u>	<u>8.5</u>
National Foundation on the Arts and the Humanities	<u>.3</u>	<u> </u>
Total	^c \$ <u>411.5</u>	^c \$ <u>486.9</u>

^aBased on annual figures reported to the Bureau by other Federal agencies. A Bureau official told us that written instructions were not provided by the Bureau to the other Federal agencies as to the basis of the amounts to be reported. Therefore the amounts reported by the other Federal agencies could be based on appropriations, obligations, or expenditures. The Bureau official told us also that the information had not been verified.

^bEstimated.

^cA Bureau official told us that the information did not include other Federal payments made to Indians, such as social security and unemployment, and that this information had not been requested from other Federal agencies.

^dA Health, Education, and Welfare Department official told us that \$18 million for Indian elementary and secondary school assistance under the Indian Elementary and Secondary School Assistance Act was not included in this total for Indians on and off reservations.

^eThe Indian Health Service administers programs which primarily benefit Indians on reservations.